



ENERGY EFFICIENT HOMES FOR THE 21st CENTURY

Promoting Energy Efficiency

and Conservation –

HUD's Energy Action Plan



U.S. Department of Housing and Urban Development

Who Benefits?

Implementing the Energy Action Plan will yield significant cost savings to property owners, building residents and the federal government. HUD spends some \$4 billion each year on energy – more than 10 percent of its budget – through operating grants to public housing authorities, housing assistance payments to private building owners or utility allowances to renters. Reducing HUD's energy bill by just five percent could yield a savings of \$2 billion over the next ten years – savings that could be applied towards other operating costs or additional vouchers for families.

HUD spends an estimated \$1.1 billion each year on utilities in public housing alone, apart from utility allowances that go directly to residents. One report indicates that greater energy efficiency and conservation could save public housing authorities a total of \$82 million to \$165 million each year. Similar savings could be achieved in HUD's inventory of assisted multifamily housing and other types of HUD-financed housing.

Key Strategies

The Energy Action Plan identifies a range of activities that encourage energy efficiency and conservation in the five million housing units that are assisted, insured or subsidized through HUD programs. The Plan focuses on upgrading the energy efficiency of new and existing housing, using an established inventory of proven energy-efficient products and appliances that can be put to work immediately through existing programs. HUD will accomplish this through:

- Education, outreach and training
- Interagency cooperation
- Market-based incentives
- Public-private partnerships

Making a Difference...

In Danbury, Connecticut with a loan from the gas company, a combined heat and power system was installed in the Wooster Manor public housing project.

The result:

- Electricity consumption was reduced from 1.25 million to 200,000 kWh.
- Energy costs were reduced by an annual rate of \$40,000.
- The loan was repaid from the savings.



In Massachusetts, The Holyoke Housing Authority used a HOPE VI grant to build Churchill Homes, a development of 50 new wood-framed 3-story buildings that met ENERGY STAR® standards using advanced framing, high efficiency boilers, advanced domestic hot water equipment and controlled ventilation.

The result:

- Homes are 30 percent more energy efficient than they would be using standard construction practices.
- HUD and families save money each month from reduced utility costs.



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“Conservation and energy efficiency are crucial components of a national energy plan. There are significant opportunities to improve the energy efficiency of buildings and homes through technologies and best practices.”

President's National Energy Policy



The U.S. Department of Housing and Urban Development's (HUD) 21-point Energy Action Plan is a comprehensive strategy to address the cost of energy and promote energy efficiency in HUD-assisted, financed or subsidized housing. The Energy Action Plan furthers HUD's mission of increasing homeownership, supporting community development and increasing access to affordable housing, and it establishes a framework for focusing HUD's energy efficiency and conservation initiatives.

Energy Task Force

Created by Secretary Alphonso Jackson, a Department-wide Energy Task Force implements the Energy Action Plan. Through an unprecedented cooperative effort, the Task Force involves key program offices – the Office of Public and Indian Housing, the Office of Housing and the Office of Healthy Homes and Lead Hazard Control. The Energy Task Force is co-chaired by the Office of Policy Development and Research (PD&R) and the Office of Community Planning and Development (CPD). To support this initiative, Regional Energy Coordinators have been designated in each of HUD's ten regions.

“With the announcement of the President's National Energy Policy we now have the necessary framework for promoting increased energy efficiency in housing. HUD is committed to giving this issue the priority it deserves to make sure we make significant progress conserving energy in housing.”

Secretary Alphonso Jackson

The Action Plan identifies 21 actions:

Action:

I – Strengthen interagency partnerships

- 1 Work with the Environmental Protection Agency (EPA) to distribute ENERGY STAR® information to HUD customers and clients.
- 2 Initiate HUD and Department of Energy (DOE) multifamily weatherization partnerships in at least five states.
- 3 Formalize interagency partnerships with DOE and EPA.

II – Provide information, training and technical assistance

- 4 Coordinate Department-wide training workshops and standardize information on energy-efficient healthy housing.
- 5 Sponsor energy efficiency training for assisted multifamily housing managers and maintenance staff.
- 6 Provide technical assistance to encourage energy efficiency when using HOME and CDBG funds.
- 7 Assist non-profit and faith-based organizations to develop, build and manage energy-efficient housing.

III – Strengthen rewards and incentives

- 8 Streamline procedures for energy performance contracting in public housing.
- 9 Feature Energy Efficient Mortgages as a priority loan product.
- 10 Simplify regulatory requirements for Energy Efficient Mortgages.
- 11 Award priority rating points for energy-efficient housing in HUD's competitive grant programs.

**IV – Strengthen
energy
standards
and program
requirements**

- 12** Require housing authorities to base equipment purchases on ENERGY STAR standards (unless demonstrated that it is not cost-effective).
- 13** Establish HOPE VI as a leader in cost-effective and energy-efficient new construction.

**V – Strengthen
management
and monitoring**

- 14** Assign Department-wide responsibility for coordinating and supporting HUD's energy programs.
- 15** Include energy efficiency performance measures in the Annual Performance Plan.
- 16** Improve tracking and monitoring of energy efficiency in public and assisted housing.
- 17** Improve tracking and evaluate performance of Energy Efficient Mortgages.

**VI – Support policy
analysis and
technology
research**

- 18** Conduct energy-related policy analysis and research.
- 19** Research, test and demonstrate innovative technologies in new construction and existing housing.
- 20** Promote combined heating and power (CHP) in public or assisted housing.
- 21** Develop integrated approaches to energy efficiency and environmental hazards in the home.

Energy Star Partnership

An important focus of the Energy Action Plan is expanding the use of ENERGY STAR® in HUD-assisted or financed housing or in public housing. HUD has signed a memorandum of understanding with EPA and DOE to increase awareness among HUD's customers and partners of the benefits of:

ENERGY STAR® products and appliances
– windows, air conditioners, furnaces, hot water heaters.

ENERGY STAR® Qualified New Homes
– single family housing that is 30 percent more energy-efficient than standard construction.

What can you do to help?

Every HUD customer, grantee or partner has a role to play in helping HUD achieve the actions set forth in the Energy Action Plan. Below is a list of resources available to you.

General information on the Energy Action Plan
Visit www.hud.gov/energy.

Contact one of HUD's Regional Energy Coordinators at www.hud.gov/energy. Contact a member of the Energy Task Force at 202-708-0614 Ext. 4807 or Ext. 4642.

Public Housing Authorities
Consult the Public Housing Authority Clearinghouse at 800-955-2232.
Visit www.hud.gov/offices/pih/about/irc.cfm.

Official Business

Penalty for Private Use \$300



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